

WALL STREET NOTES

Extensive Profit-taking Fails to Weaken the Market.

PUBLIC FOOLED BY HARRIMAN

Rumors as to His Position Keep Street Mystified—Brokers Come to Conclusion That Efforts of Secretary Show to Relieve Market Have Been Detrimental, Keeping Money Away.

New York, Nov. 15.—With profit-taking in evidence from start to finish the traders were astonished at the strength which the market maintained, and several brokers who on Wednesday asserted confidently that prices could not keep right on up until last night that they were not so sure about it.

As there were some traders who were taking profits, still stronger ones must have been taking the stocks, for, in spite of irregularities, the main tendency constituted upward.

The more narrowly the trading was watched the more evident it became that the stocks were in strong hands, the commission houses and their customers having sold out and, in many cases, taken the short side some time ago in the belief that the high rates for money were sure to compel liquidation.

Only a week ago everybody in the street heard that E. R. Harriman had sold out his stocks on the expectation of getting them back 10 or 20 points lower. Now everybody says E. R. Harriman is the force under the present upward movement in prices. Possibly the rise in the price of the stocks has been so great that the stocks he held, but nobody believes that. For fooling the public all the time this president of railroads and manipulation of stocks comes pretty near the limit.

"If only all the stories I hear are true," said a shrewd trader, "the market will go a great deal higher, but the trouble is that I don't believe a blamed one of them."

While in the speculative circles, the advance in Southern Pacific is regarded as an indication that some plan of an alliance with St. Paul is under consideration, this theory does not meet with the approval of conservative interests. These do not, however, cast equal doubt on the strength that a preferred stock may be granted within the next few months. The expectation regarding such rights is that the \$30,000,000 preferred stock now outstanding will be returned in accordance with the provision given the power to do this, at 115, and that subsequently the \$30,000,000 preferred in the treasury will be sold to stockholders at par as permanent 7 per cent issue as stock not subject to redemption. It is even said that the whole issue of \$30,000,000, including the \$30,000,000 now in the treasury, may be given with rights, and the possibility has raised the question as to what use the company intends to make of the money realized. The answer would be only \$30,000,000 of stock would be sold, for \$40,000,000 of the stock would be required to defray the cost of the \$30,000,000 issue now outstanding, and the balance of \$10,000,000 would be a small amount to apply to betterments on a system of such magnitude as Southern Pacific. Considering that the road is progressive, even a total of \$40,000,000 might easily be needed to pay for extensions and additions of various kinds to the property of the company.

As a specimen of the rumors current the report about St. Paul, Union Pacific, and Southern Pacific left nothing to be desired. It was new, complete and circumstantial, while it concerned a deal of magnitude great enough to make a market. No one should trace it to its source, although everybody heard it, and the fact that the report is so general on the long side the greater was its apparent confidence in its entire truth.

In brief the story was that Union and Southern Pacific jointly will lease St. Paul, granting dividends at the rate of 10 per cent annually on common stock, and that this proposition would come before the directors of Union and Southern Pacific for final decision on November 23. In some quarters it was added that St. Paul stockholders would in addition receive rights worth about \$15 a share, but this did not meet with general acceptance from the advocates of the lease theory. Whoever was interested in making the report public certainly succeeded well, for at the end of the first hour it had not only reached every broker, but had penetrated every office in the financial section.

Among the minor stories about St. Paul were that the recently authorized preferred and common stock might be used to buy control of Illinois Central; that the Harriman interests had made a long step toward controlling the property by the purchase of the holdings of James Henry Smith, and of rights on the last issue of stock, and would probably clinch their contract by purchase of rights on the next issue; and that control of the road had been paid for by the purchase of a share of Southern Pacific preferred and \$100 cash for each share of St. Paul.

Quite a few brokers have come to the conclusion that the efforts of Secretary Shaw in the past to relieve the money situation while well meaning, and on occasion ingenious, has been of doubtful benefit to Wall street. The contention of these parties is that when rates were high from all over the country, and that the greater will be the movement of funds toward New York when it is believed that nothing will be interposed to settle the relations between supply and demand to the disadvantage of the lender. Out-of-town banks, it is contended, have not taken much trouble to send money to New York at any time within the past year or so, even when rates were very high here, because they were always uncertain whether the Treasury might not at any moment, announce a plan of relief and take the ground from under them. If country banks can only feel sure that the Treasury will not interfere, the next advance in call rates, it is asserted, may bring money here in large volume.

In view of the possibility that the Treasury may before the end of the year announce a plan for the retirement of some of the 4 per cent bonds of 1897, there is a natural curiosity to learn something about the amount of these bonds owned by one of the largest banks which advertised extensively for them a few months ago. This curiosity is not likely to be gratified. The bank may have succeeded in buying large amounts, or it may not, and if it is, of course, only the merest kind of guesswork to assume that Secretary Shaw will oppose action because of the supposed attempt to corral the supply and put up the price.

Stockholders of the Hill roads, it is expected, may receive the melons now ripening as a holiday present toward the end of December. The new holding company will be capitalized at \$50,000,000, and its stock will be given gratis to holders of Great Northern, making a 100 per

cent stock dividend. There will also be rights on new Great Northern stock at a later period, and in the case of Northern Pacific there will probably be a late cash distribution of the rights of the new stock. It is understood, however, that plans have not yet taken definite shape, although they have been receiving consideration for some time past.

The pamphlet report of the Louisville and Nashville for the year ended June 30, 1906, just issued, shows a remarkably favorable condition of affairs. Since 1900 the gross earnings have increased from \$25,000,000 to \$45,000,000, and the net from \$7,750,000 to \$12,750,000, which means an increase in the percentage of expenses to earnings of 62.5 to 71.2. As a matter of fact, over 3 per cent of this increase was made during the last year, which shows that the property's earnings have been to a large extent put right back into the road for permanent improvements and betterments.

GRAIN MARKETS.

Quotations furnished by Charles G. Gates & Co., members Chicago Board of Trade, Money Bids.

WHEAT—	Open.	High.	Low.	Close.
December	1.22 1/2	1.23 1/2	1.22 1/2	1.23 1/2
January	1.21 1/2	1.22 1/2	1.21 1/2	1.22 1/2
February	1.20 1/2	1.21 1/2	1.20 1/2	1.21 1/2
March	1.19 1/2	1.20 1/2	1.19 1/2	1.20 1/2
April	1.18 1/2	1.19 1/2	1.18 1/2	1.19 1/2
May	1.17 1/2	1.18 1/2	1.17 1/2	1.18 1/2
June	1.16 1/2	1.17 1/2	1.16 1/2	1.17 1/2
July	1.15 1/2	1.16 1/2	1.15 1/2	1.16 1/2
August	1.14 1/2	1.15 1/2	1.14 1/2	1.15 1/2
September	1.13 1/2	1.14 1/2	1.13 1/2	1.14 1/2
October	1.12 1/2	1.13 1/2	1.12 1/2	1.13 1/2
November	1.11 1/2	1.12 1/2	1.11 1/2	1.12 1/2
December	1.10 1/2	1.11 1/2	1.10 1/2	1.11 1/2
January	1.09 1/2	1.10 1/2	1.09 1/2	1.10 1/2
February	1.08 1/2	1.09 1/2	1.08 1/2	1.09 1/2
March	1.07 1/2	1.08 1/2	1.07 1/2	1.08 1/2
April	1.06 1/2	1.07 1/2	1.06 1/2	1.07 1/2
May	1.05 1/2	1.06 1/2	1.05 1/2	1.06 1/2
June	1.04 1/2	1.05 1/2	1.04 1/2	1.05 1/2
July	1.03 1/2	1.04 1/2	1.03 1/2	1.04 1/2
August	1.02 1/2	1.03 1/2	1.02 1/2	1.03 1/2
September	1.01 1/2	1.02 1/2	1.01 1/2	1.02 1/2
October	1.00 1/2	1.01 1/2	1.00 1/2	1.01 1/2
November	0.99 1/2	1.00 1/2	0.99 1/2	1.00 1/2
December	0.98 1/2	0.99 1/2	0.98 1/2	0.99 1/2
January	0.97 1/2	0.98 1/2	0.97 1/2	0.98 1/2
February	0.96 1/2	0.97 1/2	0.96 1/2	0.97 1/2
March	0.95 1/2	0.96 1/2	0.95 1/2	0.96 1/2
April	0.94 1/2	0.95 1/2	0.94 1/2	0.95 1/2
May	0.93 1/2	0.94 1/2	0.93 1/2	0.94 1/2
June	0.92 1/2	0.93 1/2	0.92 1/2	0.93 1/2
July	0.91 1/2	0.92 1/2	0.91 1/2	0.92 1/2
August	0.90 1/2	0.91 1/2	0.90 1/2	0.91 1/2
September	0.89 1/2	0.90 1/2	0.89 1/2	0.90 1/2
October	0.88 1/2	0.89 1/2	0.88 1/2	0.89 1/2
November	0.87 1/2	0.88 1/2	0.87 1/2	0.88 1/2
December	0.86 1/2	0.87 1/2	0.86 1/2	0.87 1/2
January	0.85 1/2	0.86 1/2	0.85 1/2	0.86 1/2
February	0.84 1/2	0.85 1/2	0.84 1/2	0.85 1/2
March	0.83 1/2	0.84 1/2	0.83 1/2	0.84 1/2
April	0.82 1/2	0.83 1/2	0.82 1/2	0.83 1/2
May	0.81 1/2	0.82 1/2	0.81 1/2	0.82 1/2
June	0.80 1/2	0.81 1/2	0.80 1/2	0.81 1/2
July	0.79 1/2	0.80 1/2	0.79 1/2	0.80 1/2
August	0.78 1/2	0.79 1/2	0.78 1/2	0.79 1/2
September	0.77 1/2	0.78 1/2	0.77 1/2	0.78 1/2
October	0.76 1/2	0.77 1/2	0.76 1/2	0.77 1/2
November	0.75 1/2	0.76 1/2	0.75 1/2	0.76 1/2
December	0.74 1/2	0.75 1/2	0.74 1/2	0.75 1/2
January	0.73 1/2	0.74 1/2	0.73 1/2	0.74 1/2
February	0.72 1/2	0.73 1/2	0.72 1/2	0.73 1/2
March	0.71 1/2	0.72 1/2	0.71 1/2	0.72 1/2
April	0.70 1/2	0.71 1/2	0.70 1/2	0.71 1/2
May	0.69 1/2	0.70 1/2	0.69 1/2	0.70 1/2
June	0.68 1/2	0.69 1/2	0.68 1/2	0.69 1/2
July	0.67 1/2	0.68 1/2	0.67 1/2	0.68 1/2
August	0.66 1/2	0.67 1/2	0.66 1/2	0.67 1/2
September	0.65 1/2	0.66 1/2	0.65 1/2	0.66 1/2
October	0.64 1/2	0.65 1/2	0.64 1/2	0.65 1/2
November	0.63 1/2	0.64 1/2	0.63 1/2	0.64 1/2
December	0.62 1/2	0.63 1/2	0.62 1/2	0.63 1/2
January	0.61 1/2	0.62 1/2	0.61 1/2	0.62 1/2
February	0.60 1/2	0.61 1/2	0.60 1/2	0.61 1/2
March	0.59 1/2	0.60 1/2	0.59 1/2	0.60 1/2
April	0.58 1/2	0.59 1/2	0.58 1/2	0.59 1/2
May	0.57 1/2	0.58 1/2	0.57 1/2	0.58 1/2
June	0.56 1/2	0.57 1/2	0.56 1/2	0.57 1/2
July	0.55 1/2	0.56 1/2	0.55 1/2	0.56 1/2
August	0.54 1/2	0.55 1/2	0.54 1/2	0.55 1/2
September	0.53 1/2	0.54 1/2	0.53 1/2	0.54 1/2
October	0.52 1/2	0.53 1/2	0.52 1/2	0.53 1/2
November	0.51 1/2	0.52 1/2	0.51 1/2	0.52 1/2
December	0.50 1/2	0.51 1/2	0.50 1/2	0.51 1/2
January	0.49 1/2	0.50 1/2	0.49 1/2	0.50 1/2
February	0.48 1/2	0.49 1/2	0.48 1/2	0.49 1/2
March	0.47 1/2	0.48 1/2	0.47 1/2	0.48 1/2
April	0.46 1/2	0.47 1/2	0.46 1/2	0.47 1/2
May	0.45 1/2	0.46 1/2	0.45 1/2	0.46 1/2
June	0.44 1/2	0.45 1/2	0.44 1/2	0.45 1/2
July	0.43 1/2	0.44 1/2	0.43 1/2	0.44 1/2
August	0.42 1/2	0.43 1/2	0.42 1/2	0.43 1/2
September	0.41 1/2	0.42 1/2	0.41 1/2	0.42 1/2
October	0.40 1/2	0.41 1/2	0.40 1/2	0.41 1/2
November	0.39 1/2	0.40 1/2	0.39 1/2	0.40 1/2
December	0.38 1/2	0.39 1/2	0.38 1/2	0.39 1/2
January	0.37 1/2	0.38 1/2	0.37 1/2	0.38 1/2
February	0.36 1/2	0.37 1/2	0.36 1/2	0.37 1/2
March	0.35 1/2	0.36 1/2	0.35 1/2	0.36 1/2
April	0.34 1/2	0.35 1/2	0.34 1/2	0.35 1/2
May	0.33 1/2	0.34 1/2	0.33 1/2	0.34 1/2
June	0.32 1/2	0.33 1/2	0.32 1/2	0.33 1/2
July	0.31 1/2	0.32 1/2	0.31 1/2	0.32 1/2
August	0.30 1/2	0.31 1/2	0.30 1/2	0.31 1/2
September	0.29 1/2	0.30 1/2	0.29 1/2	0.30 1/2
October	0.28 1/2	0.29 1/2	0.28 1/2	0.29 1/2
November	0.27 1/2	0.28 1/2	0.27 1/2	0.28 1/2
December	0.26 1/2	0.27 1/2	0.26 1/2	0.27 1/2
January	0.25 1/2	0.26 1/2	0.25 1/2	0.26 1/2
February	0.24 1/2	0.25 1/2	0.24 1/2	0.25 1/2
March	0.23 1/2	0.24 1/2	0.23 1/2	0.24 1/2
April	0.22 1/2	0.23 1/2	0.22 1/2	0.23 1/2
May	0.21 1/2	0.22 1/2	0.21 1/2	0.22 1/2
June	0.20 1/2	0.21 1/2	0.20 1/2	0.21 1/2
July	0.19 1/2	0.20 1/2	0.19 1/2	0.20 1/2
August	0.18 1/2	0.19 1/2	0.18 1/2	0.19 1/2
September	0.17 1/2	0.18 1/2	0.17 1/2	0.18 1/2
October	0.16 1/2	0.17 1/2	0.16 1/2	0.17 1/2
November	0.15 1/2	0.16 1/2	0.15 1/2	0.16 1/2
December	0.14 1/2	0.15 1/2	0.14 1/2	0.15 1/2
January	0.13 1/2	0.14 1/2	0.13 1/2	0.14 1/2
February	0.12 1/2	0.13 1/2	0.12 1/2	0.13 1/2
March	0.11 1/2	0.12 1/2	0.11 1/2	0.12 1/2
April	0.10 1/2	0.11 1/2	0.10 1/2	0.11 1/2
May	0.09 1/2	0.10 1/2	0.09 1/2	0.10 1/2
June	0.08 1/2	0.09 1/2	0.08 1/2	0.09 1/2
July	0.07 1/2	0.08 1/2	0.07 1/2	0.08 1/2
August	0.06 1/2	0.07 1/2	0.06 1/2	0.07 1/2
September	0.05 1/2	0.06 1/2	0.05 1/2	0.06 1/2
October	0.04 1/2	0.05 1/2	0.04 1/2	0.05 1/2
November	0.03 1/2	0.04 1/2	0.03 1/2	0.04 1/2
December	0.02 1/2	0.03 1/2	0.02 1/2	0.03 1/2
January	0.01 1/2	0.02 1/2	0.01 1/2	0.02 1/2
February	0.00 1/2	0.01 1/2	0.00 1/2	0.01 1/2
March	0.00 1/2	0.00 1/2	0.00 1/2	0.00 1/2
April	0.00 1/2	0.00 1/2	0.00 1/2	0.00 1/2
May	0.00 1/2	0.00 1/2	0.00 1/2	0.00 1/2
June	0.00 1/2	0.00 1/2	0.00 1/2	0.00 1/2
July	0.00 1/2	0.00 1/2	0.00 1/2	0.00 1/2
August	0.00 1/2	0.00 1/2	0.00 1/2	0.00 1/2
September	0.00 1/2	0.00 1/2	0.00 1/2	0.00 1/2
October	0.00 1/2	0.00 1/2	0.00 1/2	0.00 1/2
November	0.00 1/2	0.00 1/2	0.00 1/2	0.00 1/2
December	0.00 1/2	0.00 1/2	0.00 1/2	0.00 1/2
January	0.00 1/2	0.00 1/2	0.00 1/2	0.00 1/2
February	0.00 1/2	0.00 1/2	0.00 1/2	0.00 1/2
March	0.00 1/2	0.00 1/2	0.00 1/2	0.00 1/2
April	0.00 1/2	0.00 1/2	0.00 1/2	0.00 1/2
May	0.00 1/2	0.00 1/2	0.00 1/2	0.00 1/2
June	0.00 1/2	0.00 1/2	0.00 1/2	0.00 1/2
July	0.00 1/2	0.00 1/2	0.00 1/2	0.00 1/2
August	0.00 1/2	0.00 1/2	0.00 1/2	0.00 1/2
September	0.0			